



3 Top Canadian Stocks to Buy on the TSX Today

Description

After a strong rally in 2021, the **TSX** seems to have started to level out. The tech industry, cryptocurrency, and other pandemic-related stocks have brought the market down. These Canadian stocks may be starting to drop, but that leaves opportunities galore on the TSX today. If you're looking for a deal in these areas, here are some top performers to buy today to take advantage of the dip.

Canadian utility stocks

Utilities are one of the best places to put your money. The growth strategy is sound. The utility company acquires a new business, increases revenue, and then buys further businesses. Thus, the cycle continues. It also means there are usually steady increases in dividends. That's the case for Canadian stocks like **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)).

Algonquin stock rose 70% from the market crash back in February but has since seen a pullback as the market corrects. The stock is now down 18% from that time, offering a strong jumping-in opportunity. Among Canadian stocks, it doesn't get much better than Algonquin. Revenue has increased year over year by 14% in the latest earnings report, and it trades at 1.8 times book value.

And looking beyond the last volatile year, Algonquin stock is among premium Canadian stocks for share and dividend performance. The stock has a compound annual growth rate (CAGR) of 18.5% in the last decade, with its 4% dividend yield at a CAGR of 12.5% in that time. That makes this stock perfect for value stock seekers on the TSX today.

Telecommunication stocks on the TSX today

Another solid area of investment are with telecommunication companies. These companies are seeing [massive](#) growth with the rollout of 5G. Before the pandemic and subsequent market crash, this is where everyone wanted to put their money. And rightly so. There are only a few competitors in Canada, so among these Canadian stocks, you're going to want the one that gets cash in first and highest.

That's why I would consider **BCE** ([TSX:BCE](#))([NYSE:BCE](#)). The \$44 billion company is the largest telecom provider by market value. Over the next two years, it plans on spending \$1 billion in 5G and fibre network expansion. This should help hold its position as market leader, with about 60% Canadians using its services.

With a 5G rollout, the company should continue to boost revenue, share price, and dividends. The company offers a 5.88% dividend yield that's grown at a CAGR of 6.43% in the last decade. Shares are up 9% in the last year, which is on par with its decade CAGR of 10.3%. Yet it's still in value territory at three times book value, making it one of the Canadian stocks you should definitely add to your watchlist on the TSX today.

Soaring higher ... soon?

I would be remiss to leave out **Air Canada** ([TSX:AC](#)) as my last Canadian stock to buy on the TSX today. Granted, I'm talking about [long-term](#) holds. That's what you'll have to know when you invest in Air Canada stock. The company isn't likely to see that \$50 share price for a few years. But a decade from now, this share price will be a steal.

The company made major investments into its infrastructure before the pandemic. So, it's likely to pay down even this substantial debt relatively quickly — especially with \$5.9 billion in aid, even though much is going to refunds. If investors are patient, it's a good time to buy and forget this stock for decades to come.

While you don't get a dividend, you could see major growth over the next decade. Look at the last decade as an example, where Air Canada stock soared 932%, and it's soared 50% in the last year! And trading at 5.1 times book value and climbing, it doesn't look like it will be a deal for long.

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2. NYSE:BCE (BCE Inc.)
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